

### CLASSIFICATION OF ASSET QUALITY

PROSPECTS					
COMPONENT	CURRENT	SPECIAL MENTION	SUB-STANDARD	DOUBTFUL	LOSS
Growth potential	<ul style="list-style-type: none"> <li>Business has strong growth potential.</li> </ul>	<ul style="list-style-type: none"> <li>Business has limited growth potential.</li> </ul>	<ul style="list-style-type: none"> <li>Business shows very limited growth potential or is not growing.</li> </ul>	<ul style="list-style-type: none"> <li>Business is in decline.</li> </ul>	<ul style="list-style-type: none"> <li>Survival in serious doubt, difficult to restore viability.</li> <li>Strong likelihood that business will come to end.</li> </ul>
Market conditions and position of debtor in relation to competition	<ul style="list-style-type: none"> <li>Stable market, not influenced by changes in economic conditions.</li> <li>Limited competition, among those with strong market position.</li> <li>Operating at optimum capacity.</li> </ul>	<ul style="list-style-type: none"> <li>Good market position, not strongly influenced by changes in economic conditions.</li> <li>Market share on par with competitors.</li> <li>Operating at almost optimum capacity.</li> </ul>	<ul style="list-style-type: none"> <li>Market influenced by changes in economic conditions.</li> <li>Market position fair, but has many competitors, nevertheless able to recover with implementation of new business strategy.</li> <li>Not operating at optimum capacity.</li> </ul>	<ul style="list-style-type: none"> <li>Market strongly influenced by changes in economic conditions.</li> <li>Fierce competition, company operations in serious trouble.</li> <li>Capacity not at level capable of supporting operations.</li> </ul>	<ul style="list-style-type: none"> <li>Loss of market as economic conditions decline.</li> <li>Operations not on continual basis.</li> </ul>
Management quality and labor problems	<ul style="list-style-type: none"> <li>Excellent management.</li> <li>Adequate manpower levels with no record of disputes or strikes, or past disputes/ strikes that were nevertheless properly resolved.</li> </ul>	<ul style="list-style-type: none"> <li>Good management.</li> <li>Generally adequate manpower levels, past disputes or strikes properly resolved but could possibly break out again.</li> </ul>	<ul style="list-style-type: none"> <li>Fairly good management.</li> <li>Surplus level of manpower and ongoing disputes/strikes with fairly material impact on the business of debtor.</li> </ul>	<ul style="list-style-type: none"> <li>Inexperienced management.</li> <li>Excessively high manpower level and attendant risk of unrest, ongoing disputes/strikes with fairly material impact on business of debtor.</li> </ul>	<ul style="list-style-type: none"> <li>Weak management.</li> <li>Extremely high level of excessive manpower and attendant risk of unrest, ongoing disputes/strikes with material impact on business of debtor.</li> </ul>

PROSPECTS					
COMPONENT	CURRENT	SPECIAL MENTION	SUB-STANDARD	DOUBTFUL	LOSS
Support from group or affiliates	<ul style="list-style-type: none"> <li>Affiliated or group companies stable and support business operations.</li> </ul>	<ul style="list-style-type: none"> <li>Affiliated or group companies stable and not generating impacts that burden debtor.</li> </ul>	<ul style="list-style-type: none"> <li>Relations with affiliated or group companies beginning to generate impacts that burden debtor</li> </ul>	<ul style="list-style-type: none"> <li>Affiliated or group companies generating impacts that burden debtor.</li> </ul>	<ul style="list-style-type: none"> <li>Affiliated company incurring serious losses for debtor.</li> </ul>
Measures taken by the debtor to conserve the environment (for large-scale debtors with major impact on environment)	<ul style="list-style-type: none"> <li>Good environmental management actions, results at least meeting the minimum requirements stipulated in applicable laws and regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Inadequate environmental management actions, results failing to meet minimum requirements stipulated in applicable laws and regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Inadequate environmental management actions, results failing to meet minimum requirements stipulated in applicable laws and regulations, material irregularities.</li> </ul>	<ul style="list-style-type: none"> <li>Company failing to take significant environmental management actions, or has taken management actions but failing to meet minimum requirements stipulated in applicable laws and regulations, material irregularities.</li> </ul>	<ul style="list-style-type: none"> <li>Company failing to take significant environmental management actions, or has taken management actions but failing to meet minimum requirements stipulated in applicable laws and regulations, and faces possible prosecution.</li> </ul>

DEBTOR PERFORMANCE					
COMPONENT	CURRENT	SPECIAL MENTION	SUB-STANDARD	DOUBTFUL	LOSS
Earnings	<ul style="list-style-type: none"> <li>High, stable earnings.</li> </ul>	<ul style="list-style-type: none"> <li>Fairly good earnings but with potential for decline.</li> </ul>	<ul style="list-style-type: none"> <li>Low earnings.</li> </ul>	<ul style="list-style-type: none"> <li>Very low or negative earnings.</li> <li>Operating losses financed by sale of asset.</li> </ul>	<ul style="list-style-type: none"> <li>Sustaining heavy losses.</li> <li>Debtor unable to meet all liabilities and business is unsustainable.</li> </ul>
Capital structure	<ul style="list-style-type: none"> <li>Strong capital.</li> </ul>	<ul style="list-style-type: none"> <li>Fairly good capital, owners have capability to provide additional capital if needed.</li> </ul>	<ul style="list-style-type: none"> <li>Moderate debt-to-equity ratio.</li> </ul>	<ul style="list-style-type: none"> <li>High debt-to-equity ratio.</li> </ul>	<ul style="list-style-type: none"> <li>Extremely high debt-to-equity ratio.</li> </ul>

DEBTOR PERFORMANCE					
COMPONENT	CURRENT	SPECIAL MENTION	SUB-STANDARD	DOUBTFUL	LOSS
Cash flow	<ul style="list-style-type: none"> <li>Strong liquidity and working capital.</li> <li>Cash flow analysis shows that debtor is able to meet principal and interest obligations without support from additional sources of funds.</li> </ul>	<ul style="list-style-type: none"> <li>Generally good liquidity and working capital.</li> <li>Cash flow analysis shows that although debtor is able to meet principal and interest obligations, indications exist of certain problems that left unresolved will affect future payments.</li> </ul>	<ul style="list-style-type: none"> <li>Low liquidity and limited working capital.</li> <li>Cash flow analysis shows that debtor is only able to repay interest and part of principal.</li> </ul>	<ul style="list-style-type: none"> <li>Very low liquidity.</li> <li>Cash flow analysis shows inability to repay principal or interest.</li> <li>New borrowings used to rollover obligations falling due and payable.</li> </ul>	<ul style="list-style-type: none"> <li>Liquidity difficulties</li> <li>Cash flow analysis shows that debtor is unable to cover production costs.</li> <li>Material use of new borrowings to rollover obligations falling due and payable.</li> </ul>
Sensitivity to market risks	<ul style="list-style-type: none"> <li>Relatively little of portfolio sensitive to changes in exchange rate and interest rates or portfolio has proper hedging.</li> </ul>	<ul style="list-style-type: none"> <li>Some of portfolio sensitive to changes in exchange rate and interest rates, but still within controllable limits.</li> </ul>	<ul style="list-style-type: none"> <li>Business activity susceptible to changes in exchange rate and interest rates.</li> </ul>	<ul style="list-style-type: none"> <li>Business activity threatened by changes in exchange rate and interest rates.</li> </ul>	<ul style="list-style-type: none"> <li>Business activity threatened by fluctuation in exchange rate and interest rates.</li> </ul>

REPAYMENT CAPACITY					
COMPONENT	CURRENT	SPECIAL MENTION	SUB-STANDARD	DOUBTFUL	LOSS
Promptness in repayment of principal and interest	<ul style="list-style-type: none"> <li>Prompt repayment, positive progress in loan account, no arrears, compliance with credit terms and conditions.</li> </ul>	<ul style="list-style-type: none"> <li>Arrears in principal and/or interest of up to 90 (ninety) days.</li> <li>Overdrafts seldom.</li> </ul>	<ul style="list-style-type: none"> <li>Arrears in principal and/or interest exceeding 90 (ninety) days but no more than 120 (one hundred and twenty) days.</li> <li>Repeated overdrafts, mainly to cover operating losses and cash flow shortage.</li> </ul>	<ul style="list-style-type: none"> <li>Arrears in principal and/or interest exceeding 120 (one hundred and twenty) days but no more than 180 (one hundred and eighty) days.</li> <li>Overdraft is permanent, mainly to cover operating losses and cash flow shortage.</li> </ul>	<ul style="list-style-type: none"> <li>Arrears in principal and/or interest exceeding 180 (one hundred and eighty) days.</li> </ul>

### REPAYMENT CAPACITY

COMPONENT	CURRENT	SPECIAL MENTION	SUB-STANDARD	DOUBTFUL	LOSS
Availability and accuracy of financial information on the debtor	<ul style="list-style-type: none"> <li>▪ Debtor relationship with bank is good, debtor always provides accurate financial information on regular basis.</li> <li>▪ Latest financial statement is available with Bank analysis of financial statement/ financial information provided by debtor.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Debtor relationship with bank is fairly good, debtor always provides financial information on regular basis and information is still accurate.</li> <li>▪ Latest financial statement is available with Bank analysis of financial statement/ financial information provided by debtor.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Debtor relationship with bank is deteriorating and financial information is unreliable or no Bank analysis of financial statement/ financial information provided by debtor.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Debtor relationship with bank is steadily deteriorating and financial information is unavailable or unreliable.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Debtor relationship with bank is very poor and financial information is unavailable or unreliable.</li> </ul>
Completeness of credit documentation	<ul style="list-style-type: none"> <li>▪ Complete documentation of credit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Complete documentation of credit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Inadequately complete documentation of credit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Incomplete documentation of credit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No documentation of credit.</li> </ul>
Compliance with credit agreement	<ul style="list-style-type: none"> <li>▪ No breach of credit agreement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minor breach of credit agreement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Moderate breach of key terms and conditions of credit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Major breach of key terms and conditions of credit agreement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Extremely serious breach of key terms and conditions of credit agreement.</li> </ul>
Appropriateness of use of funds	<ul style="list-style-type: none"> <li>▪ Use of funds consistent with loan application.</li> <li>▪ Amount and type of facility appropriate to need.</li> <li>▪ Credit term extension consistent with analysis of debtor needs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Use of funds less consistent with loan application, but not in material amount.</li> <li>▪ Amount and type of facility greater than needed, but not in material amount.</li> <li>▪ Credit term extended not fully in accordance with analysis of debtor needs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Use of funds less consistent with loan application, in fairly material amount.</li> <li>▪ Amount and type of facility greater than needed, in fairly material amount.</li> <li>▪ Credit term extended not according to analysis of debtor needs (term extension to conceal financial difficulties).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Use of funds less consistent with loan application, in material amount.</li> <li>▪ Amount and type of facility greater than needed, in material amount.</li> <li>▪ Credit term extended not according to analysis of debtor needs (term extension to conceal financial difficulties) with major irregularities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Use of funds mostly in departure from loan application.</li> <li>▪ Amount and type of facility greater than needed, in very material amount.</li> <li>▪ Credit term extended without analysis of debtor needs.</li> </ul>

# **REPAYMENT CAPACITY**

COMPONENT	CURRENT	SPECIAL MENTION	SUB-STANDARD	DOUBTFUL	LOSS
Viability of source for payment of obligations	<ul style="list-style-type: none"> <li>Source of payment clearly identifiable and agreed by bank and debtor.</li> <li>Source of payment appropriate to structure/type of borrowing.</li> <li>Viable repayment scheme (includes any provision of grace period).</li> <li>Foreign currency revenues sufficient to support repayment foreign currency of credit.</li> </ul>	<ul style="list-style-type: none"> <li>Source of payment identifiable and agreed by bank and debtor.</li> <li>Source of payment less appropriate to structure/type of borrowing.</li> <li>Fairly viable repayment scheme (includes any provision of grace period).</li> <li>Foreign currency revenues less than sufficient to support repayment foreign currency of credit.</li> </ul>	<ul style="list-style-type: none"> <li>Payment originating from source other than agreed.</li> <li>Source of payment materially less appropriate to structure/type of borrowing.</li> <li>Repayment scheme is insufficiently viable, grace period is provided that is not appropriate to type of credit.</li> <li>Foreign currency revenues materially insufficient to support repayment of foreign currency credit.</li> </ul>	<ul style="list-style-type: none"> <li>Source of payment not known, while agreed source is no longer viable.</li> <li>Source of payment materially inappropriate to structure/type of borrowing.</li> <li>Repayment scheme is insufficiently viable, long grace period is provided that is not appropriate to type of credit.</li> <li>Foreign currency revenues materially insufficient to support repayment of foreign currency credit.</li> </ul>	<ul style="list-style-type: none"> <li>No possible source of repayment.</li> <li>Source of payment completely inappropriate to structure/type of borrowing.</li> <li>Repayment scheme is not viable, long grace period provided that is not appropriate to type of credit.</li> <li>No foreign currency revenues to support repayment of foreign currency credit.</li> </ul>

### **Investment Grade for Securities**

Rating with minimum classification as follows:

- a. BBB- assessed by Fitch;
- b. Baa3 assessed by Moody's;
- c. BBB- assessed by Standard & Poors (S&P);
- d. IdA assessed by PT. Pefindo; or
- e. equivalent to letters a, b, c, and d, assessed by other rating agency recognized by Bank Indonesia.

## DEBT RESTRUCTURING REPORT

MONTH/YEAR: .....

BANK :

(in millions of Rupiahs)

No.	NAME, ADDRESS, TAX ID NO. OF DEBTOR	MEANS OF RESTRUCTURING	BEFORE DEBT RESTRUCTURING								AFTER DEBT RESTRUCTURING						
			CEILING	LOAN BALANCE	INTEREST ARREARS	ADM. INTEREST	TENOR	INTEREST RATE (%)	CREDIT QUALITY	COLLA- TERAL VALUE	CEILING	LOAN BALANCE	TENOR	INTEREST RATE (%)	CREDIT QUALITY	COLLAT- ERAL VALUE	LOSS FROM RESTRUC- TURING
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
TOTAL DEBT RESTRUCTURED THIS MONTH																	
BALANCE OF RESTRUCTURED DEBT LAST MONTH																	
CUMULATIVE BALANCE OF RESTRUCTURED DEBT																	

### Notes:

- Fill in column (18) with total loss incurred from debt restructuring.
- Fill in column (8) and column (14) with date of credit agreement and maturity date in credit agreement.